

**COUNTY OF LEXINGTON GENERAL SESSIONS COURT  
LEXINGTON, SOUTH CAROLINA**

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**State Auditor's Report on Applying  
Agreed-Upon Procedures  
March 31, 2007**

**COUNTY OF LEXINGTON GENERAL SESSIONS COURT  
LEXINGTON, SOUTH CAROLINA**

Table of Contents

	<u>PAGE</u>
<b>STATE AUDITOR TRANSMITTAL LETTER</b>	
<b>I. INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES</b>	1-3
<b>II. ACCOUNTANTS' COMMENTS</b>	
<b>VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS</b>	4
<u>TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY</u>	5-6
<i>Remittance Form Error</i>	
<i>Adherence to Judicial Department Fine Guidelines</i>	
<i>No DUI or DUS Pullouts Reported</i>	
<u>TIMELY ACCURATE REPORTING TO THE STATE TREASURER</u>	6
<i>Schedule of Fines and Assessments</i>	
<b>APPENDIX</b>	
CORRECTIVE ACTION PLAN	

# *State of South Carolina*



## *Office of the State Auditor*

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December 14, 2007

The Honorable Mark Sanford, Governor  
State of South Carolina  
Columbia, South Carolina

The Honorable Beth Carrigg, Clerk of Court  
Lexington County  
Lexington, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the Lexington County General Sessions Court System for the period April 1, 2006 through March 31, 2007, was issued by Cline Brandt Kochenower & Co., P.A., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert, Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA  
Deputy State Auditor

RHGjr/trb

CLINE BRANDT KOCHENOWER  
& Co., P.A.  
Certified Public Accountants  
*Established 1950*

Richard H. Gilbert, Jr., CPA  
Deputy State Auditor  
Office of the State Auditor  
Columbia, South Carolina

We have performed the procedures described below which were agreed to by the South Carolina Office of the State Auditor solely to assist these users in evaluating the performance of the County of Lexington General Sessions Court System and to assist the South Carolina Office of the State Auditor in complying with the 2006 - 2007 General Appropriations Act (H. 4810) Section 72.80. Beth Carrigg, Clerk of Court for the County of Lexington, is responsible for compliance with the requirements for the General Sessions Court reporting and the South Carolina Office of the State Auditor is responsible for compliance with the requirements of the 2006 - 2007 General Appropriations Act (H. 4810) Section 72.80. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**1. TIMELY REPORTING BY THE CLERK OF COURT**

- We researched South Carolina Code of Laws Section 14-17-750 to determine the definition of timely reporting with respect to the Clerk of Court's responsibility for reporting fines, fees and assessments to the County Treasurer.
- We inquired of the South Carolina Judicial Department to determine their requirements for both the manner in which partial pay fines and fees are to be allocated and the timing of the report and remittance submissions by the Clerk and the Treasurer.
- We inquired of the Clerk of Court and County Treasurer to gain an understanding of their policy for ensuring timely reporting and to determine how the treasurer specifically documents timeliness.
- We inspected documentation, including the Clerk of Court Remittance Forms or equivalents for the months of April 1, 2006 through March 31, 2007 to determine if the Clerk of Court submitted the reports to the County Treasurer in accordance with the law.

We found no exceptions as a result of the procedures.

## **2. TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY**

- We traced each month's reporting by the Clerk of Court to the County Treasurer's Office and to the County's general ledger accounts for the assessments (Sections 14-1-206(A), (B) and (D)) and victim assistance surcharge (Section 14-1-211) for the period April 1, 2006 to March 31, 2007.
- We compared the amounts reported on the Clerk of Court Remittance Forms or equivalents to the Clerk of Court's software system-generated report summaries for three judgmentally determined test months. We tested the system-generated reports for compliance with various laws including Section 35.11 of the General Appropriations Act for the fiscal year 2006 – 2007 and with South Carolina Judicial Department training instructions and interpretations.
- We judgmentally selected and compared individual fine and assessment amounts recorded in the Clerk of Court's software system-generated detail reports to the Judicial Department guidelines' range for the offense code to see if the fine and assessment were within the minimum and maximum range.

Our findings are reported under "TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY" in the Accountants' Comments section of this report.

## **3. PROPER VICTIM ASSISTANCE FUNDS ACCOUNTING**

- We inquired as to the format determined by County council and local policy for record keeping as it relates to fines and assessments in accordance with Section 14-1-206(E)(4).
- We compared the fiscal year-ended June 30, 2006 audited Victim Assistance Fund fund balance with all adjustments to the fund balance shown in the Schedule of Fines, Assessments and Surcharges on page 270 of the audited financial statement and to the beginning fund balance as adjusted in that fund for fiscal year 2007.
- We judgmentally selected a sample of Victim Assistance Fund reimbursable expenditures and verified that these expenditures were in compliance with Section 14-1-206(D) and Section 14-1-211(B).

We found no exceptions as a result of the procedures.

#### 4. TIMELY ACCURATE REPORTING TO THE STATE TREASURER

- We vouched the amounts reported in the South Carolina State Treasurer's Revenue Remittance Forms to Clerk of Court Remittance Forms or equivalents for the period April 1, 2006 to March 31, 2007.
- We scanned the South Carolina State Treasurer's Revenue Remittance Forms for timely filing in accordance with Section 14-1-206(B).
- We traced amounts recorded in the County's financial statement Schedule of Fines, Assessments and Surcharges on page 270 of the year ended June 30, 2006 report related to fines and assessments revenues reporting in accordance with Section 14-1-206(E) to supporting schedules used in the audit to comply with Section 14-1-206(E).
- We traced and agreed amounts in the supporting schedules to the Clerk of Court Remittance Forms or South Carolina State Treasurer's Revenue Remittance Forms.

Our finding is reported under "TIMELY ACCURATE REPORTING TO THE STATE TREASURER" in the Accountants' Comments section of this report.

We were not engaged to, and did not conduct an audit the objective of which would be the expression of an opinion on compliance with the collection and distribution of court generated revenue at any level of court for the twelve months ended March 31, 2007 and, furthermore, we were not engaged to express an opinion on the effectiveness of the internal controls over compliance with the laws, rules and regulations described in paragraph one and the procedures of this report. Had we performed additional procedures other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Governor, Chairmen of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of the Lexington County Council, County Clerk of Court, County Treasurer, State Treasurer, Chief Justice and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.



October 4, 2007

**ACCOUNTANTS' COMMENTS**

**COUNTY OF LEXINGTON GENERAL SESSIONS COURT  
LEXINGTON, SOUTH CAROLINA**

State Auditor's Report  
March 31, 2007

**VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS**

Management of the entity is responsible for establishing and maintaining internal controls to ensure compliance with State Laws, Rules or Regulations. The procedures agreed to by the entity require that we plan and perform the engagement to determine whether any violations of State Laws, Rules or Regulations occurred.

The conditions described in this section have been identified as violations of State Laws, Rules or Regulations.



**COUNTY OF LEXINGTON GENERAL SESSIONS COURT**  
**LEXINGTON, SOUTH CAROLINA**  
State Auditor's Report, Continued  
March 31, 2007

**TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY**

**REMITTANCE FORM ERROR**

**CONDITION:** The State Treasurer's Revenue Remittance Form for January 2007 contained an error. Supporting documentation did not agree with the amount reported on line D of the revenue remittance form.

**CRITERIA:** Each individual line item on the State Treasurer's Revenue Remittance Form has a reporting purpose related to the South Carolina Code of Laws that establishes the fine, fee, assessment or surcharge amount. The Form instructions require reporting of the State's Portion of Section 17-15-260 Bond Estreatments in line D.

**CAUSE:** The Clerk of Court inaccurately transferred an amount from the computer-generated report to the State Treasurer's Revenue Remittance Form for the month of January 2007. The incorrect information was subsequently submitted to the County Treasurer.

**EFFECT:** The County overpaid the State \$10,717.19.

**AUDITORS' RECOMMENDATION:** The County should revise and resubmit the January 2007 State Treasurer's Revenue Remittance Form. The County should also request the State Treasurer reimburse it \$10,717.19.

**ADHERENCE TO JUDICIAL DEPARTMENT FINE GUIDELINES**

**CONDITION:** The Judge was not adhering to the Judicial Department minimum/maximum fine guidelines with respect to Driving Under the Influence [DUI] and Driving Under Suspension [DUS] violations.

**CRITERIA:** Judicial Department Guidelines for Fines – Minimums and Maximums. These guidelines are obtained from the minimum and maximum fines recorded in the respective laws.

**CAUSE:** The Judge did not use the current Judicial Department's fine guidelines.

**EFFECT:** By not assessing the minimum/maximum fines as required in the legislation, the Judge is violating the law.

**AUDITORS' RECOMMENDATION:** We recommend the County judge comply with the law and use the current fine guidelines when assessing DUI and DUS fines.

**NO DUI OR DUS PULLOUTS REPORTED**

**CONDITION:** No DUI or DUS pullouts were reported on the State Treasurer's Remittance Forms during the procedures period even though the County had collected fines for DUI and DUS violations during the procedures period.

**CRITERIA:** South Carolina Code of Laws Section 56-1-460(C) states, "One hundred dollars of each fine imposed pursuant to this section must be placed by the Comptroller General into a special restricted account to be used by the Department of Public Safety for the Highway Patrol."

**CAUSE:** The County has not modified its court software to properly account for DUI or DUS pullouts.

**COUNTY OF LEXINGTON GENERAL SESSIONS COURT**  
**LEXINGTON, SOUTH CAROLINA**  
State Auditor's Report, Continued  
March 31, 2007

**EFFECT:** The County has inappropriately retained the DUI and DUS pullouts.

**AUDITORS' RECOMMENDATION:** The County should review DUI and DUS violations misclassified in their software, correct errors and submit revised reports to the State Treasurer's Office. The County should determine the amount, if any, due to the State and remit the underpayment to the State Treasurer as soon as practicable.

**TIMELY ACCURATE REPORTING TO THE STATE TREASURER**

**SCHEDULE OF FINES AND ASSESSMENT**

**CONDITION:** The Supplementary Schedule of Fines and Assessments submitted to the State did not include all required information. We determined that the supplementary schedule did not report victim assistance expenses. In addition, total victim assistance revenue did not include the victim assistance share of assessments and did not report a fund balance or carry forward balance for the victim assistance fund. If the schedule had properly reported all revenues and expenses the carry forward balance at year-end would have been -0-.

**CRITERIA:** South Carolina Code of Laws Section 14-1-206(E)(1) states "the supplementary schedule must include the following elements:

- (a) all fines collected by the clerk of court for the court of general sessions;
- (b) all assessments collected by the clerk of court for the court of general sessions;
- (c) the amount of fines retained by the county treasurer;
- (d) the amount of assessments retained by the county treasurer;
- (e) the amount of fines and assessments remitted to the State Treasurer pursuant to this section;
- and
- (f) the total funds, by source, allocated to victim services activities, how those funds were expended, and any balances carried forward."

**CAUSE:** The County did not review the schedule before submission to ensure it included all required information.

**EFFECT:** The Supplementary Schedule of Fines and Assessments did not comply with South Carolina Code of Laws Section 14-1-206(E)(1)(b) and (f).

**AUDITORS' RECOMMENDATION:** In the future the County should review the schedule before submission to ensure it is accurate and includes all of the elements required by Section 14-1-206(E)(1) of the South Carolina Code of Laws, as amended.

**COUNTY OF LEXINGTON GENERAL SESSIONS COURT**  
**LEXINGTON, SOUTH CAROLINA**  
State Auditor's Report, Continued  
March 31, 2007

**CORRECTIVE ACTION PLAN**

Management has elected not to respond.